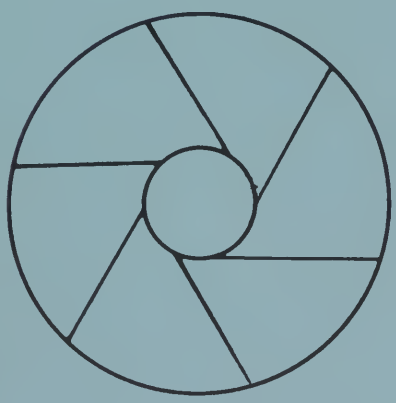
Medical Library Resource Grant Program

Information and Policy Statement



U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Public Health Service

DISCRIMINATION PROHIBITED--Title VI of the Civil Rights Act of 1964 states: "No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance." Therefore, the Resource Grant Program, like every program or activity receiving Federal assistance from the Department of Health, Education, and Welfare, must be operated in compliance with this law.

For further information contact:

Extramural Programs
National Library of Medicine
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Bethesda, Maryland 20014

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MEDICAL LIBRARY

RESOURCE GRANT PROGRAM

Information and Policy Statement

Prepared by

Extramural Programs

National Library of Medicine

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March, 1966

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MEDICAL LIBRARY RESOURCE GRANT PROGRAM

INFORMATION AND POLICY STATEMENT

Introduction

The knowledge explosion of recent decades has made a dramatic and profound impact on society. Scientific progress has brought about a revolution in the nature and scope of information requirements. Advances in communications technology afford the capability of satisfying these requirements. Implementing this capability necessitates the development of new, or modification of existing, institutions to facilitate the servicing of information in new forms and at new levels. This is particularly true in the health sciences.

Medical libraries provide researchers, educators, students, and practitioners in the health sciences with vital information services. In order to respond to increasing demands for traditional library services, to accelerate dissemination of information by implementing new communications technology, and to provide needed new facilities, Congress, in 1965, passed the Medical Library Assistance Act (PL 89-291).

The Medical Library Resource Grants authorized by the Act are designed to aid in the improvement and expansion of the capabilities of the Nation's health science libraries and related institutions to provide up-to-date high quality information services. These Grants are not "operating subsidies". They are to be used to expand and up grade library resources. Funds from the Grants cannot be used to supplant funds or resources presently committed to the library by its parent institution. Grants must be considered as additional funds for expansion and improvement.

In initiating this Grant Program, it is the intent of the National Library of Medicine to assist in the realization of major improvement of medical library resources in the United States. Thus medical libraries will be able to provide better and faster information services to the health professions, making a significant contribution to the health of the Nation.

Authority

The Surgeon General of the Public Health Service is authorized by Public Law 89-291, the Medical Library Assistance Act of 1965, to make grants to assist in improving and expanding the basic resources of medical libraries and related instrumentalities.

Administration

The National Library of Medicine is the agency of the Public Health Service responsible for the administration of the Medical Library Resources Grant Program.

Nature of Medical Library Resource Grants

The Medical Library Assistance Act authorized the appropriation of an amount not to exceed $3,000,000 in any one fiscal year for medical Library Resource Grants. The Act limits the size of an individual grant to $200,000. The following table shows further limitations on the size of grants based on the annual operating expenses of the grantee's library and on the amount of grants previously received under this program:

Fiscal year in which grant is made	Per cent of annual operating expenses which grant may not exceed	Fraction of previous year's grant
First	60	--
Second	50	5/6
Third	40	4/5
Fourth	30	3/4
Fifth	20	2/3

The "annual operating expense" for the purpose of computing the limit of a first year grant is an amount equal to the average annual operating expense of the library over the three fiscal years immediately preceding the year in which application for a grant is made. If the library has been operating for less than three years, its "annual operating expense," for this purpose, will be taken to be the average of operating expenses of libraries of institutions of similar function and size. The "annual operating expense" for subsequent year grants will be an amount equal to its operating expenses (exclusive of the medical library resources grant) for the preceding fiscal year. As an example of the application of these limitations, a second year grant cannot be larger than 50% of the operating expenses for the preceding fiscal year nor larger than 5/6 of the first year grant.

In determining the amount of a grant, it will be necessary to establish the scope of library services provided. Applicants will be required to furnish information on the numbers and types of students making use of the library;

the number of physicians and other practitioners of the health sciences utilizing it; the qualifications and type of staff operating the library; the type, size, and qualifications of the faculty of any school with which the library is affiliated; the staff of any hospital or clinic with which the library is affiliated; the geographic area served by the library; and the availability of library and related services provided by other libraries within that area. Instructions accompanying the application form will guide the applicant in the format of presentation of this and related information.

The applicant must identify needs of his library in terms of its future development which a resources grant would assist in meeting and present a plan for utilizing the grant to this end. It is this which will form the primary basis for approval or disapproval of applications from eligible institutions.

In the event there are insufficient funds to pay all approved applications, it will be necessary to use the available funds in such a way as to assure that the greatest contribution to the health sciences is made. Factors which will enter into determining which approved applications will be paid and which must be held for payment at a later date will include the need for the grant by the institution for improving and expanding its resources, the nature and size of the user population served, the potentiality of the plan for utilization of the grant to evaluate or demonstrate innovations in providing information services in the health sciences, and the contribution to broad national health goals likely to result from such a grant.

Applications which are disapproved may be resubmitted without prejudice. The staff of the National Library of Medicine, if requested, will be pleased to provide information to the applicant on the reason for disapproval of the application.

Uses of Grants

Grant funds may be utilized for the following broad purposes: (1) the acquisition of library materials; (2) processing library materials; (3) acquisition of equipment to facilitate the use of the library's resources; (4) the introduction of new technologies.

Institutions Eligible to Apply

Public and private nonprofit institutions, with the exception of Federal agencies, may make application for Medical Library Resource Grants on behalf of their libraries or related instrumentalities. These include schools of the health professions, hospitals, private associations maintaining medical libraries or similar institutional forms, research institutions, etc. Institutions making application should be prepared to

furnish upon request a current Internal Revenue Service tax exemption letter to certify institutional "not-for-profit" status.

Application Procedures

Institutions wishing to make application for a Medical Library Resource Grant should complete a form PHS-4877. This form requires the institution to list the components of its operating expenses for the last complete fiscal year and their composition for the last three fiscal years including the last complete fiscal year. In addition, the applicant must describe the library, its staff, policies, and operations; cite the institutional programs served by the library; describe plans for the future development of the library and indicate how a medical library resource grant would be used in implementing these plans. Application forms and detailed instructions for completing them may be obtained from:

Chief, Division of Library Facilities and Resources
National Library of Medicine
8600 Rockville Pike
Bethesda, Maryland 20014

Computation of Formula Entitlement

The Surgeon General is required to consider the scope of library services provided in the determination of the amount of any grant made under this program. When it is determined that the scope of services justifies it, the library's annual operating expenses will be the basis for computing its formula entitlement. While it is not possible at this time to give precise information on which an institution might estimate its formula entitlement, the following will serve as a guide to what approved applicants might expect as their entitlement for the first year of the program:

Annual operating expense	Approximate formula entitlement
$ 10,000	$ 2,500
25,000	6,250
50,000	12,500
75,000	16,500
100,000 and above	20,000

This information is furnished for planning purposes only and should in no way be construed as a commitment on the part of the Public Health Service.

When two or more separate libraries in different institutions elect to share the resources made possible by the grant and elect not to submit more than one application, the total formula entitlement will be an amount equal to that which it would have been if they had applied separately plus $1000, provided the limits set by law are not exceeded. Joint applications cannot be entertained in these cases, therefore only one of the cooperating institutions should submit the application. It is required that institutions submitting applications with proposals to share resources enter into formal written agreements with the sharing institutions. These agreements must be executed by officials authorized to incur legal obligations on behalf of both the applicant institution and the sharing institution. Such agreements shall provide for the full and equal accessibility and use of these resources by the sharing institutions. They must constitute relationships beyond ordinary interlibrary loan routines. The sharing institution must be brought into full partnership with respect to the use of the resources. For example, such arrangements could include:

1) centralized acquisition and processing facilities;

2) consolidation of separate institutional collections into a central facility;

3) agreements for common use of equipment; or

4) integrated data processing systems.

An institution may participate in only one "resource sharing" application.

The formula entitlements for institutions having medical libraries which have been operating for less than three years will be an amount equal to that of institutions with libraries of similar function and size and providing comparable services.

Funds Which May Be Included in Operating Expenses

The following categories of expenditures may be included as components of operating expenses to provide the basis for computing the formula entitlement:

Personnel - Salaries, wages, and fringe benefits of all employees of the institution engaged in the operation of its medical library may be included. The value of fringe benefits may be used either as individual items related to specific personnel positions or as a "composite rate" as defined in "Grants for Research Projects, Guide to Operating Procedures," U.S. Public Health Service, July 1, 1965, p. 36. Compensation to both full-time and part-time employees may be included. Compensation to administrative,

maintenance, or other similar personnel, serving the library as one among other parts of the institution may not be included.

Equipment, Supplies, and Binding - Expenditures for purchase and installation of furniture, shelving, and movable equipment may be included. For items whose unit cost is more than $2,500, only $2,500 may be included. Expenditures for the routine maintenance of equipment through service contracts or otherwise may be included if the equipment has been used primarily by the library in support of its own programs of service. Expenditures for lease or rental of equipment other than data processing equipment may be included within this category. The latter may be included as an item under costs of data processing. The cost of supplies such as stationery, catalog cards, binding supplies, duplicating supplies, photographic supplies, etc., may be included, as well as costs incurred in binding library materials.

Purchase of books, journals, and other informational material - Costs incurred in the purchase of books, journals, photographs, films, film-strips, audio tapes, and other informational material may be included. Funds acquired as gifts and used to purchase informational material needed for specific scholarly purposes may be included. Such funds may not be included if they were used to purchase "collector's items" or any other materials not required for the purposes noted above. The value of materials acquired by gift or exchange may not be included.

Travel - Institutional costs incurred by reason of travel of the library staff necessary for the effective operation of the library may be included as well as institutional costs of travel and expenses of library staff attendance at professional meetings.

Communications Costs - Costs incurred by the institution for telephone, telegraph, postage, and related items may be included.

Data Processing Costs - Expenses for computer time, supplies, data processing equipment rental or purchase, and other items related to data processing necessary to the library's efficient functioning incurred by the institution may be included.

Other Expenses - Other expenses incurred by the institution in the direct operation of its library may be included to the extent that they are individually described and justified.

No costs attributable to the operation of patient libraries may be included.

Use of Grant Funds

The uses to which grant funds may be put can be divided into the following broad categories:

Acquisition of Library Materials - Grant funds may be used for the purchase of books, journal subscriptions, microfilm, audiovisual materials, and other informational matter. Grant funds may not be used to purchase rare items such as incunabula, manuscripts, "collector's items," and the like without prior approval of the Public Health Service. Justification for such purchases will necessarily be based upon the demonstration of specific scholarly purposes by the grantee.

Purchase or Rental of Equipment - Grant funds may be used for acquiring equipment such as reading room and stack furniture and shelving which facilitate the use of the library's resources. Equipment may include duplication devices, facsimile equipment, audiovisual equipment such as film projectors and tape recorders, microfilm readers, etc. Installation costs and service contracts necessary for equipment maintenance may also be paid from grant funds. Grant funds may also be used for computer time and the costs of leasing or purchasing data processing equipment. Such funds may not be used to purchase a single item of equipment whose unit cost is more than $2,500 without prior Public Health Service approval.

Salaries and Associated Fringe Benefits - Salaries and fringe benefits paid from grant funds must be consistent with similar expenditures from the institution's own funds. Salaries and fringe benefits may be paid only in accordance with that portion of the recipient's activities related to processing library materials, including personnel required for the introduction and operation of modern data processing techniques.

Travel - Grant funds may be used for domestic travel, as defined in "Grants for Research Projects, Guide to Operating Procedures, U.S. Public Health Service, July 1, 1965, p. 4, which is required to improve and expand the resources or services of the library. The use of these funds for travel is subject to the conditions set forth in the above Guide.

Supplies - Consumable supplies such as stationery, catalog cards, binding supplies, data processing supplies, etc., required for processing library resource materials for use may be purchased from grant funds.

Communications - Grant funds may be used to defray the costs of telephone, telegraph, postage, and other communication expenses necessary to the efficient functioning of the library in making its resources available.

Renovation - Costs of minor repairs and renovation for library space may be charged to the grant in amounts of $1,000 or less without prior PHS approval. Prior approval for the use of larger sums for this purpose must be obtained. Grant funds may not be used for the operation of patient libraries.

Accountability of Grant Funds

The institution must establish and maintain a separate account for the Medical Library Resource Grant funds in order to properly account for receipts and disbursements. The grant may be charged with only actual expenditures made within the approved grant period dates.

Income received in the form of interest on grant funds or fees collected as a result of activities financed by the grant shall be credited to the Medical Library Resource Grant account and be refunded to the Public Health Service. Deficits may not be transferred to any other Public Health Service account.

Funds received under a Medical Library Resource Grant may be used to contract for services, but may not be subgranted.

Audit of Grant

All reported expenditures are subject to audit. This includes expenditures identified by the grantee institution for computation of formula entitlement as well as actual expenditures from the Medical Library Resource Grant. Expenditures will be audited for conformity with both the fiscal policies of the recipient institution and the Public Health Service.

Each institution receiving a Medical Library Resource Grant shall have readily available for audit all primary and secondary fiscal documents and accounts connected with the financial management of the grant.

These provisions apply to institutions sharing in the resources made available by a resource grant to another institution when its operating expenses have been included for computing the formula entitlement.

Prohibition of Discrimination

Title VI of the Civil Rights Act of 1964 states: "No person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." Therefore, the grant and award programs of the Public Health Service, like every program or activity receiving financial assistance from the Department of Health, Education, and Welfare, must be operated in compliance with this law. This applies not only to the institution

receiving the grant but also to any institution sharing in the resources made available by the grant and whose operating expenses may have been included for computing the formula entitlement.

Patent Provisions

In accordance with the Department of Health, Education, and Welfare regulations, 45 C.F.R., Parts 6 and 8, any inventions arising out of the activities assisted by the grant shall be promptly and fully reported to the Surgeon General. Whether patent protection on such an invention shall be sought and how the rights in the inventions, including rights under any patent issued thereon shall be disposed of and administered in the public interest shall be determined either by the Surgeon General or in accordance with the institution's own policies where a formal patent agreement has been reached between the Surgeon General and the grantee institution.

In order for the Public Health Service to carry out its responsibility under these patent regulations, it is essential that the Service be advised prior to the awarding of Government funds of any commitments or obligations made by the institution which would conflict with the inventions agreement.

When submitting an application for a Medical Library Resource Grant each each institution must provide in letter form either a statement indicating that no previous commitments or obligations have been made or a detailed explanation of such commitments or obligations where they do exist.

Additionally, an Annual Invention Statement, Form PHS-3945, must be filed. This form is required whether or not an invention has resulted. The Medical Library Resource Grant for the following year may not be issued until the Annual Invention Statement has been received by the National Library of Medicine.

Detailed instructions for submission of material relating to patents have been included as part of each application folder.

Unobligated Balance from Previous Grant Period

Grant funds may not be expended prior to the established beginning date. Any unexpended balance remaining at the close of the grant year, not to exceed the amount of the Medical Library Resource Grant awarded for that year, may be carried forward and continue to be available for expenditure, co-mingling with the succeeding Medical Library Resource Grant account. No prior approval for this carry-over is necessary, nor will this carry-

over affect the amount to be awarded for the succeeding year. A brief explanation of the circumstances resulting in carry-over from one year to the next and plans for use of these funds in the subsequent year should accompany the Annual Progress Report.

Institutional Evaluation of Use of the Grant

Each year an evaluation of the institutional use of the grant during the preceding year will be undertaken. This evaluation is intended to provide insight constructive to the institution and to the Public Health Service and the National Medical Libraries Assistance Advisory Board in cultivating maximum institutional effectiveness for providing information services and resources to the health sciences throughout the country. Within 90 days after the close of the grant period, each institution receiving a Medical Library Resource Grant is required to submit an Annual Progress Report and an Expenditures Report. The purpose of this progress report is to describe the utility of the grant in strengthening specific activities in the provision of information resources and services within the institution, and to provide an objective critique and assessment of the value of the grant in furthering the institution's long-range aspirations. Specific guidelines for preparation of these reports will be provided annually.

Expenditures Report

The Expenditures Report will provide for reporting expenditures as follows:

Personnel Compensation
Books, Journals, and other Library Materials
Consumable Supplies
Equipment (Purchase and Rental)
Travel
Communications

The Expenditures Report is to be signed by the responsible official and principal financial officer qualified to sign the application for the grant.